Clause (26A) of the Income-tax Act, 1961 was that it was misused by unscruplous businessmen for laundering their blackmoney through the residents of Ladakh.

[Translation]

Irregularities in Payment of Commission Under N.S.S.

2728. SHRI SHATRUGHAN PRASAD SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether the schemes of the national savings organisation under the Finance Ministry are operated through post offices and banks;

(b) if so, whether irregularities are being committed in the payment of commission due to lack of supervisory control over the organisation; and

(c) if so, whether the Government propose to take some concrete steps to check irregularities in the payment of commission?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Yes, Sir.

(b) No, Sir. However, any irregularities noticed due to computational mistakes by dealing hands are rectified immediately.

(c) Does not arise.

Export of Natural Rubber

2729. SHRI BHAGWAN SHANKAR RAWAT: Will the Minister of COMMERCE be pleased of state:

(a) the quantity of natural rubber exported during 1995-96;

(b) the percentage of increase in its export during 1996-97; and

(c) the steps taken by the Government to increase its production and export?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) During 1995-96, 1130 MT of natural rubber was exported.

(b) During 1996-97, export of natural rubber registered an increase of 41.40%.

(c) For increasing production of natural rubber, a number of schemes including financial and technical assistance for planting of rubber, concessional supply of plantation inputs, free supply of technical knowhow and assistance for processing etc. are being operated by the Rubber Board. According to the estimates of Rubber Board, there is no exportable surplus of natural rubber in the country. There is no restriction for the export of natural rubber. Since, however, the prices in domestic market are higher than those in the international market, large scale export of natural rubber is not feasible.

[English]

Liberalisation of Textile Sector

2730. SHRI MADHUKAR SARPOTDAR: Will the Minister of TEXTILES be pleased to state:

(a) whether ASSOCHAM has made certain recommendations in regard to liberalisation of textile sector in a phased manner and inclusion of more products in the Multi-Fibre Agreement (MFA) liberalisation list;

(b) if so, the details thereof and the reaction of the Government thereto;

(c) whether the Government have taken any tangible steps for the balancing of products for the integration of textile trade as per the general framework of World Trade Organisation (WTO) for proper restructuring of the textile and garments market; and

(d) if so, the details thereof;

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) to (d) Government have been receiving representations from trade for liberalisation of various textile products.

The Agreement on Textile and Clothing (ATC) included in the Final Act of the Uruguay Round, envisages complete integration of the textile sector into the multilateral framework of GATT/WTO by 1.1.2005, in stages. The importing countries have been integrating their textile products as per the provisions of the ATC.

Meeting of SAARC Committee

2731. SHRI HARIN PATHAK: Will the Minister of COMMERCE be pleased to state:

(a) whether the sixth meeting of the SAARC Committee of Economic Cooperation (CEC) under the Chairmanship of Indian Commerce Secretary was held in New Delhi recently; and

(b) if so, the concrete steps taken by the CEC to promote trade and economic cooperation amongst SAARC countries?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) Yes, Sir. The Sixth meeting of SAARC Committee on Economic Cooperation (CEC) was held in New Delhi under the Chairmanship of the Indian Commerce Secretary on 16-17 November, 1995. This was followed by two more meetings of the CEC in Delhi on 28-29 Oct., 96 and 21-22 April, '97.

(b) The important steps initiated by the CEC to promote trade and economic cooperation amongst SAARC countries include a proposal for setting up of an institutional mechanism for settlement of trade disputes in the SAARC region, holding the Third Round of Trade Negotiations under SAARC Preferential Trading Arrangement (SAPTA) before the close of 1997, early removal of Non-tariff barriers and quantitative restrictions on all products covered under

SAPTA, extending preferential tariff concessions to the least developed countries (LDCs) in the region on non-reciprocal basis, improving transport infrastructure and transit facilities in the region, expanding SAARC visa Exemption Scheme by inclusion of SAARC functionaries members of the Executive Committee of APEX Trade Bodies and the businessmen and holding the 2nd SAARC Trade Fair and the 2nd meeting of the SAARC Commerce Ministers in Pakistan towards the end of 1997.

World Bank Loan

2732. SHRI BANWARI LAL PUROHIT: Will the Minister for the STATE IN THE MINISTRY OF FINANCE be pleased to state:

(a) whether the world Bank proposes to increase its aid to India;

(b) if so, the present position of World Bank loan towards India;

(c) the projects for which the Government intend to have more aid form the World Bank alongwith the details of the more aid to be received; and

(d) the time by which the loans are likely to be repaid?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) World Bank's pledges to India have normally been in the range of US $ 2.5 - 3 billion and during India Development Forum Meeting held in July' 97, World Bank pledged US $ 2.9 billion to India which is higher than the pledge for 1996 which was $ 2.5 billion.

(c) There are a number of projects posed to the World Bank for possible assistance in the Bank FY 98 (July 97 - June 98). These projects are Coal Sector Rehabilitation, Hazardous Waste Management, A.P. Restructuring, National Agriculture Technology, UP Forestry, Kerala Forestry, UP Diversified Agriculture, Rajasthan Power, Haryana Power, Gujarat Highway, UP Basic Education-II, DPEP-III, Powergrid-II, Food & Drug Capacity Building. These projects are at different stages of processing and the details including the amount of assistance for each project will be known only after the finalisation of the project proposals with the World Bank.

(d) The rapayment of loans is made as per the conditions stipulated in respective loan agreements. IBRD loans are repayable in 20 years, inclusive of 5 years grace period and IDA credits are repayable in 35 to 40 years inclusive of 10 years grace period.

National Dairy Development Board

2733. SHRI V.V. RAGHAVAN: Will the Minister of FINANCE be pleased to state:

(a) whether the National Dairy Development Board and the National Cooperative Dairy Federation have requested the Union Government to remove milk products from the lists of items imported under open General Licence; and

(b) if so, the details thereof and the Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) Yes, Sir. A proposal has been received in the Ministry of Commerce from National Cooperative Dairy Federation of India that in order to maintain international competitiveness and repid growth of the Indian Dairy Industry, skimmed milk powder and butter oil be shifted from open General Licence to the negative list in the current Export and Import Policy. However, the proposal was examined in the Ministry of Commerce but was not found acceptable.

[Translation]

Loan to Regional Commercial Banks by RBI

2734. SHRI FAGGAN SINGH KULESTE: Will the Minister of FINANCE be pleased to state:

(a) whether there is any provision for giving loans to regional commerical banks by the Reserve Bank of India;

(b) if so, the names of the schemes for which it is given;

(c) whether any time limit has been fixed for it; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (d) Presumably, the Hon'ble Member is referring to financial support extended by Reserve Bank of India (RBI) to Regional Rural Banks (RRBs). While RBI does not directly grant any loans to RRBs, RBI extends financial support to National Bank of Agriculture & Rural Development (NABARD) from out of its General Lines of Credit (GLC) I & II to enable NABARD to provide, inter-alia, short term re-finance to RRBs and Cooperative Institutions for Seasonal Agricultural Operations (SAO), marketing of crops, marketing and distribution of agricultural inputs, other activities for promotion of agriculture and for production and/or marketing activities of artisans, small scale industries and village and cottage industries etc. RBI has sanctioned, under GLC I & II, for the year 1997-98, limits amounting to Rs. 4850 and Rs. 850 crores respectively in favour of NABARD.

[English]

Setting up of Washeries

2735. PROF. AJIT KUMAR MEHTA: Will the Minister of COAL be pleased to state:

(a) the number of contracts awarded for setting up of washeries during the last three years on B.O.O basis stating the areas where the washeries are to be set up;

(b) the progress made in this regard so far; and